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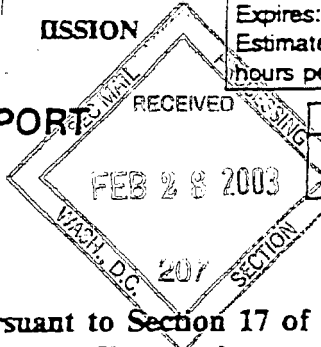
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MISSION

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	September 30, 1998
Estimated average burden	hours per response . . . 12.00

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**



SEC FILE NUMBER
8-45234

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING January 1, 2002 AND ENDING December 31, 2002
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Allapree Securities, Inc.

OFFICIAL USE ONLY
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

4380 Commercial Way, Spring Village Plaza

(No. and Street)

Spring Hill, FL 34606

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Jeff Dupree 352-596-7004

(Area Code — Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Edwards, Platt, Raulerson & Company, P.A.

(Name — if individual, state last, first, middle names)

101 E. Mahoney Street, Plant City, FL 33563

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions.

PROCESSED
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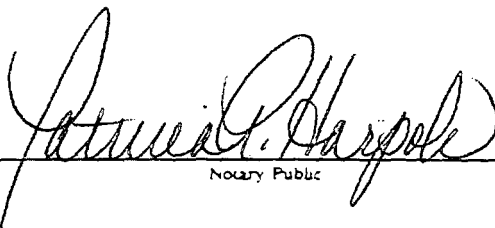
**THOMSON
FINANCIAL**

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

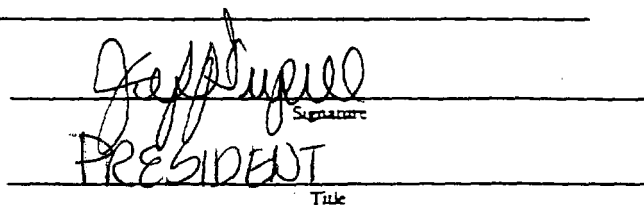
OATH OR AFFIRMATION

I, Jeff Dupree, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Allapree Securities, Inc., as of December 31, 2002, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:


Notary Public



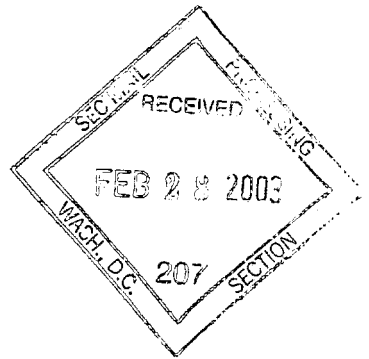
Patricia A. Harpole
Commission # CC 936524
Expires June 26, 2004
Bonded Thru
Atlantic Bonding Co., Inc.


Signature
PRESIDENT
Title

This report** contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



ALLAPREE SECURITIES, INC.
SPRING HILL, FLORIDA
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

**ALLAPREE SECURITIES, INC.
SPRING HILL, FLORIDA**

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2002 AND 2001

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Edwards, Platt, Raulerson & Company, P.A.

Certified Public Accountants and Consultants

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Charles L. Edwards, CPA
Randell L. Platt, CPA
Daniel D. Raulerson, CPA
John Cookley, CPA

Independent Auditor's Report

Board of Directors
Allapree Securities, Inc.

We have audited the accompanying balance sheets of Allapree Securities, Inc. as of December 31, 2002 and 2001, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allapree Securities, Inc. as of December 31, 2002 and 2001, and the results of its operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I, II, and III is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities and Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Edwards, Platt, Raulerson & Company, P.A.

EDWARDS, PLATT, RAULERSON & COMPANY, P.A.
Certified Public Accountants and Consultants

February 18, 2003

ALLAPREE SECURITIES, INC.

**BALANCE SHEETS
DECEMBER 31, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
ASSETS:		
<u>CURRENT ASSETS</u>		
Cash	\$29,978	\$45,112
Commissions Receivable	6,561	3,001
Investments Not Readily Marketable, at Estimated Fair Value	<u>33,100</u>	<u>33,100</u>
Total Current Assets	69,639	81,213
<u>OTHER ASSETS</u>		
Deposits	<u>15,035</u>	<u>15,041</u>
TOTAL ASSETS	<u><u>\$84,674</u></u>	<u><u>\$96,254</u></u>
 LIABILITIES AND STOCKHOLDERS' EQUITY:		
<u>CURRENT LIABILITIES</u>		
Commissions Payable	<u>\$93</u>	<u>\$51</u>
Total Current Liabilities	<u>93</u>	<u>51</u>
<u>STOCKHOLDERS' EQUITY</u>		
Preferred Stock, par value \$1, 30,000 shares authorized, issued, and outstanding	30,000	30,000
Common Stock, par value \$1, 100 shares authorized, issued, and outstanding	100	100
Additional Paid-In Capital	8,164	8,164
Retained Earnings	<u>46,317</u>	<u>57,939</u>
Total Stockholders' Equity	<u>84,581</u>	<u>96,203</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$84,674</u></u>	<u><u>\$96,254</u></u>

See Accompanying Notes and Independent Auditor's Report

ALLAPREE SECURITIES, INC.

STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
<u>INCOME</u>		
Commissions	\$155,633	\$218,577
Interest	1,088	3,180
Other Revenue	871	55
Total Income	157,592	221,812
<u>EXPENSES</u>		
Management Fees	93,500	110,500
Commissions	72,094	97,250
Taxes and Miscellaneous	1,780	11,623
Clearing	1,840	2,525
Total Expenses	169,214	221,898
Net Income (Loss)	(\$11,622)	(\$86)

See Accompanying Notes and Independent Auditor's Report

ALLAPREE SECURITIES, INC.

**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
BALANCE, BEGINNING OF YEAR	\$96,203	\$96,289
NET INCOME (LOSS)	<u>(11,622)</u>	<u>(86)</u>
BALANCE, END OF YEAR	<u><u>\$84,581</u></u>	<u><u>\$96,203</u></u>

See Accompanying Notes and Independent Auditor's Report

ALLAPREE SECURITIES, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	(\$11,622)	(\$86)
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Decrease (Increase) in Commissions Receivable	(3,560)	(874)
Decrease (Increase) in Deposits	6	56
(Decrease) Increase in Commissions Payable	<u>42</u>	<u>2</u>
CASH PROVIDED (USED) BY OPERATIONS	<u>(15,134)</u>	<u>(902)</u>
CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN CASH	(15,134)	(902)
Cash, Beginning	<u>45,112</u>	<u>46,014</u>
Cash, Ending	<u><u>\$29,978</u></u>	<u><u>\$45,112</u></u>

See Accompanying Notes and Independent Auditor's Report

ALLAPREE SECURITIES, INC.

NOTES TO FINANCIAL STATEMENTS

(1) SIGNIFICANT ACCOUNTING POLICIES

The Company is engaged in the business of securities dealings. The Company is licensed and regulated by the National Association of Securities Dealers, Inc. and operates primarily in the central Florida area.

The Company utilizes the accrual basis of accounting for reporting purposes.

The Company considers all commissions receivable collectible. Therefore, no provision for doubtful accounts is required.

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Cash and cash equivalents are defined as cash and investments that have a maturity of less than three months.

(2) RELATED PARTY TRANSACTIONS

Commissions paid to the sole shareholder were \$63,500 and \$55,000 for 2002 and 2001, respectively. The company pays a management fee to a corporation under common control. Fees for 2002 were \$93,500 and for 2001 were \$110,500.

(3) CONTINGENCIES

In the normal course of business, the Company has been named as a defendant in legal action. However, management, after consultation with counsel, intends to vigorously defend their position and is of the opinion that the ultimate resolution of this matter will not have a material adverse effect on the Company's financial position or results of operations.

See Independent Auditor's Report

ALLAPREE SECURITIES, INC.

**SCHEDULE I
COMPUTATION OF NET CAPITAL
DECEMBER 31, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
TOTAL STOCKHOLDERS' EQUITY	\$84,581	\$96,203
TOTAL NON-ALLOWABLE ASSETS	<u>(37,887)</u>	<u>(33,100)</u>
NET CAPITAL	<u>\$46,694</u>	<u>\$63,103</u>

There is no material difference between the Net Capital Computation hereon and the computation in Form X17A - 5 Part II (unaudited) as submitted by Allapree Securities, Inc. at December 31, 2002.

See Independent Auditor's Report

ALLAPREE SECURITIES, INC.

**SCHEDULE II
COMPUTATION OF NET CAPITAL REQUIREMENT
DECEMBER 31, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
Minimum Net Capital Required , 6-2/3% of Aggregate Indebtedness	<u>-</u>	<u>\$3</u>
Minimum Dollar Net Capital Requirement of Reporting Broker or Dealer	<u>\$50,000</u>	<u>\$50,000</u>
Net Capital Requirement	<u>\$50,000</u>	<u>\$50,000</u>
Excess Net Capital	<u>\$41,694</u>	<u>\$13,103</u>
Excess Net Capital at 1,000%	<u>\$46,684</u>	<u>\$63,097</u>

See Independent Auditor's Report

ALLAPREE SECURITIES, INC.

**SCHEDULE III
COMPUTATION OF AGGREGATE INDEBTEDNESS
DECEMBER 31, 2002 AND 2001**

	2002	2001
Total Aggregate Indebtedness Liabilities	<u>\$93</u>	<u>\$5</u>
Total Aggregate Indebtedness	<u><u>\$93</u></u>	<u><u>\$5</u></u>
Percentage of Aggregate Indebtedness to Net Capital	0.00%	0.00%

Exemptive Provision Under Rule 15c3 - 3 :

- ~The Company is exempt under 15c3 - 3(K) (2) (B).
- ~All customer transactions are cleared through FICS.

See Independent Auditor's Report



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CERTIFIED PUBLIC ACCOUNTANT'S SUPPLEMENTARY REPORT ON INTERNAL ACCOUNTING CONTROL

Board of Directors
Allapree Securities, Inc.

In planning and performing our audit of the consolidated financial statements and supplemental schedules of Allapree Securities, Inc., for the year ended December 31, 2002, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by rule 17a-13
3. Complying with the requirements for prompt payment of securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives.

Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and the transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2002, to meet the SEC's objectives.

This report is intended solely for the use of the Board of Directors, management, the SEC, The National Association of Securities Dealers, Inc., and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and should not be used for any other purpose.

EDWARDS, PLATT, RAULERSON & COMPANY, P.A.

Edwards, Platt, Raulerson & Company, P.A.
Certified Public Accountants and Consultants

February 18, 2003